

7.5 Important contracts

No contract (other than those entered into in the normal course of business) has been signed by any entity of the Group that contains a significant obligation or commitment for the Group as a whole.

In February 2015, the French State announced that it was studying the possibility of transferring the public procedures business line (see paragraphs 1.2.1.2 "Public procedures management" and 5.1.2.15 "Risks related to relations with the

French State") to Bpifrance. The principle of this transfer was confirmed by the French State on July 29, 2015 and ratified by law no. 2015-1786 of December 29, 2015, the Amended Finance Act for 2015, which stipulates that the transfer will occur on a date fixed by decree and no later than by December 31, 2016. The agreement signed between the French State and Coface on the public guarantees management procedures will be extended until the effective date of the transfer.

7.6 Draft report of the Board of Directors on the draft resolutions submitted to the Combined Shareholders' Meeting

The purpose of the draft report is to present the resolutions submitted by the Board of Directors to your Combined Shareholders' Meeting of May 19, 2016.

The presentation of Coface's financial situation, activity and results for the year ended, in addition to the information required by current legislative and regulatory provisions, are set forth in this 2015 reference document, to which you are invited to refer (accessible via the Coface website: www.coface.com).

These resolutions can be broken down into two groups:

- the first thirteen resolutions (from the 1st to the 13th resolution), which fall under the authority of the ordinary shareholders' meeting;
- the following thirteen resolutions (from the 14th to the 26th resolution), which fall under the authority of the extraordinary shareholders' meeting;

7.6.1 WITHIN THE AUTHORITY OF THE ORDINARY SHAREHOLDERS' MEETING

◆ Approval of the 2015 financial statements - (1st and 2nd resolutions)

In the first two resolutions, the Ordinary Shareholders' Meeting is asked to approve the Company financial statements (1st resolution), followed by the consolidated financial statements (2nd resolution) of COFACE SA for 2015.

◆ Appropriation of results - Dividend payment - (3rd resolution)

The purpose of the third resolution is to allocate COFACE SA's corporate result and approve the payment of dividends.

The Company financial statements of COFACE SA present net income of €73,048,606 at December 31, 2015 and, considering the negative retained earnings of -€2,779,036, a distributable profit of €66,617,140, after allocation to the legal reserve.

The third resolution proposes:

- allocating €3,652,430 to the legal reserve;

- paying shareholders a total of €75,479,151 ⁽¹⁾ which breaks down as follows:

- €66,617,140 corresponding to the distributable income,
- an additional €8,862,011 taken from the share premium.

The total payment per share will be €0.48, which corresponds to 60% of the consolidated net income per share of the year just ended.

The Shareholders' Meeting grants full authority to the Board of Directors to determine the final overall amount of the distributed sums according to the number of treasury shares held by the Company as of May 25, 2016, to proceed with the necessary adjustments, in particular to adjust the amount of €8,862,011 to the share premium based on the dividends actually paid out and, more generally, take all necessary steps to ensure successful completion of the operations included in this resolution.

For beneficiaries who are private individuals residing in France for tax purposes, the fraction of this payment corresponding to the distributable profit shall be

(1) This amount is calculated based on the total number of shares comprising the Company's share capital, including treasury shares, and will be adjusted according to the number of shares held by the Company as at May 25, 2016.

automatically taken into account to determine their overall income subject to the progressive income tax and will be eligible for a 40% abatement of the gross amount received (Article 158-3-2 of the French General Tax Code). With the exception of beneficiaries who are private individuals residing in France for tax purposes who have applied for exoneration under the conditions of Article 242 quater of the French General Tax Code, the paying institution will deduct the flat rate withholding tax set out under Article 117 quater du French General Tax Code. All of the Company's shares qualify for this tax treatment.

Pursuant to the provisions of Article 112-1° of the French General Tax Code, the fraction of the payment

corresponding to the deduction from the share premium is not considered as taxable distributed income as this sum represents for shareholders a reimbursement of the share premium, given that all profits and reserves other than the legal reserve have been already distributed. With regard to the above-mentioned tax provisions, this sum is considered as a reimbursement of a contribution.

All shareholders, and in particular those domiciled or established outside of France, as concerns regulations applicable in the country of residence or establishment, are asked to contact their usual adviser to determine, through a detailed analysis, the tax consequences to be drawn in consideration of the amounts collected for this distribution.

In accordance with the legal provisions, we remind you that for the three financial periods prior to 2015, the following amounts were distributed:

YEAR	NUMBER OF REMUNERATION SHARES	TOTAL AMOUNT (in €)
2012	156,841,307	0
2013	156,841,307	293,939,870 ⁽²⁾
2014	157,248,232 ⁽¹⁾	75,479,151 ^{(1) (3)}

(1) Including treasury shares.

(2) This amount includes an exceptional distribution of €227 million to Natixis, payment of which was made on May 3, 2014.

(3) It is recalled that this entire dividend was paid in the form of an exceptional distribution of cash sums deducted from the issue premium. The actual amount paid was €75,460,456.

The dividend ex-date will be May 25, 2016. Payment will start on May 27, 2016.

Shares held by the Company on May 25, 2016 are not entitled to dividends.

◆ **Determination of the amount of Directors' fees allotted to members of the Board of Directors - (4th resolution)**

A proposal is submitted to the General Meeting of shareholders to slightly raise the amount of the fees allotted to Directors in 2015 and increase it to €400,000.

This increase was not made with the intention to raise the amount paid to each director, but rather to ensure sufficient funds to cope with a higher number of audit committee and/or appointments and compensation committee meetings.

◆ **Authorisation to the Board of Directors to trade its own shares - (5th resolution for the ordinary session and 14th resolution for the extraordinary session)**

In this 5th resolution, the Board of Directors requests the General Meeting of shareholders to authorise the purchase of a number of shares in the Company that may not exceed 10% of the total number of shares composing the share capital or 5% of the total number of shares subsequently composing the share capital in the case of shares acquired by the Company with a view to keeping them and transferring them as payment or exchange under a merger, spin-off or contribution operation, noting that the acquisitions made by the Company may under no circumstances result in it holding more than 10% of the ordinary shares comprising its share capital at any time.

Shares may be purchased in order to: a) ensure liquidity and boost the market for the Company's stock through an investment service provider acting independently within the context of a liquidity contract in compliance with the Charter of Ethics recognized by the French Financial Markets Authority, b) allot shares to corporate officers and to employees of the Company and other Group entities, and in particular within the context of (i) profit-sharing, (ii) any stock option plan of the Company, pursuant to the provisions of Article L.225-177 *et seq.* of the French Commercial Code, or (iii) any savings plan in compliance with Article L.3331-1 *et seq.* of the French Labour Code or (iv) any allocation of bonus shares pursuant to the provisions of Article L.225-197-1 *et seq.* of the French Commercial Code, as well as performing all hedging operations relating thereto, under the conditions provided for by the market authorities and at the times to be determined by the Board of Directors or the person acting upon its delegation, c) transfer the Company's shares when the rights attached to the securities are exercised, rights which entitle their bearers directly or indirectly through reimbursement, conversion, exchange, presentation of a warrant or in any other manner, to an allocation of shares of the Company within the context of the current regulations, as well as to perform all hedging operations relating thereto, under the conditions provided for by the market authorities and at the times to be determined by the Board of Directors or the person acting by delegation of the Board of Directors, d) keep the Company's shares and transfer them subsequently as payment or exchange within the context of potential external growth operations, and in accordance with the market practices accepted by the French Financial Markets Authority, e) cancel all or part of the securities thus purchased or f) implement all market practices accepted by the French Financial Markets Authority and, more generally, perform all operations in compliance with current regulations.

The maximum purchase price per unit may not exceed €18 per share, excluding costs. The Board of Directors may nevertheless, for operations involving the Company's capital, particularly a modification of the par value of the share, a capital increase by incorporation of reserves following the creation and allotment of bonus shares, a stock split or reverse stock split, adjust the aforementioned maximum purchase price in order to take into account the incidence of these operations on the value of the Company's stock.

The acquisition, disposal or transfer of these shares may be completed and paid for by all methods authorised by current regulations, on a regulated market, multilateral trading system, a systematic internaliser, or over the counter, in particular through the acquisition or disposal of blocks of shares, using options or other derivative financial instruments or warrants or, more generally, securities entitling their bearers to shares of the Company, at times to be determined by the Board of Directors.

In accordance with legal and regulatory provisions, the Board of Directors, if your Shareholders' Meeting so authorises it, shall have all powers, with the authority to subdelegate, in order to proceed with the allocations and, if necessary, permitted reallocations of repurchased shares in view of one of the programme's objectives, or one or more of its other objectives, or even in view of their disposal on or off the market.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted by the 8th resolution of the Shareholders' Meeting of May 18, 2015, be granted for a period of eighteen (18) months as from your Shareholders' Meeting.

In the 14th resolution, the Board of Directors also requests the General Meeting of shareholders to authorise, for a period of 26 months, with the authority to subdelegate, a reduction of the share capital by the cancellation, within the limit of 10% of the share capital by periods of 24 months, in one or several operations, of all or a portion of the shares of the Company acquired under the repurchase programme authorised by the Shareholders' Meeting.

◆ **Ratification of the co-opting of two directors - (6th and 7th resolutions)**

The 6th and 7th resolutions seek ratification by the Shareholders' Meeting of the co-optations of Linda Jackson, voted by the Board Meeting of May 5, 2015 to replace Laurence Parisot, and that of Martine Odillard to replace Nicole Notat, voted by the same Board Meeting of May 5, 2015.

These two terms will expire at the end of the Shareholders' Meeting convened in 2017 to approve the financial statements for the year ended December, 2016.

◆ **Regulated commitments and agreements - (8th to 12th resolutions)**

The 8th resolution concerns the approval of regulated commitments and agreements, in application of Article L.225-38 *et seq.* of the Commercial Code (with the exception of regulated commitments and agreements the approval of which is subject to specific resolutions), authorised by the Board of Directors in financial year 2015 and subsequent to this date until the Board Meeting of February 9, 2016. These commitments and agreements are presented in the Statutory Auditors' special report, in addition to those previously

concluded in 2015 which remain valid and which do not require further approval by the Shareholders' Meeting.

The relevant regulated agreements and commitments for COFACE SA are:

- the authorisation given at the Board meeting of February 17, 2015 for the issuance by COFACE SA to Natixis of two bonds for €50 million and €100 million. We recall that in order to be independent from Natixis and diversify financing sources for the factoring business in Germany and Poland, COFACE sought to replace the two financing lines historically provided by Natixis with other bilateral lines.

Hence the bilateral credit lines concluded with a certain number of banks including Natixis, for a total amount of €500 million. These loans mature between one to three years. Accordingly, the credit lines negotiated with Natixis have been reduced to €50 million (versus €200 in 2014) and €100 million (versus €300 million in 2014). They were signed under market conditions.

In response to requests from banks, COFACE SA has guaranteed the reimbursement of bilateral credit lines by its two factoring subsidiaries. These surety bonds bear interest at a per annum rate of 0.2%.

This is the context in which the Board of Directors authorised the issue of two surety bonds with respective amounts of €50 million and €100 million for Natixis;

- the authorisation given at the Board meeting of July 28, 2015 for the signature with Natixis of an agreement regarding the subscription by the latter of a backup line for an amount of €120 million in connection with the commercial paper issuance programme set up in 2012. This programme is also intended to ensure the financing autonomy of the factoring business. The original programme, for an initial amount of €250 million, was raised to €500 million in 2013. Given that it was entirely used, the programme was renewed and raised to €600 million in 2015. In this framework, Natixis's back-up line was raised in due proportion from €100 million to €120 million and extended for a period of two years, under market conditions;

- the authorisation given by the Board meeting of November 2, 2015 for the conclusion of a tax consolidation agreement between COFACE SA and its French subsidiaries, following the exit of COFACE SA from the Natixis tax consolidation group. COFACE SA opted for the tax consolidation scheme, as from the financial period starting from January 1, 2015, pursuant to Article 223 A *et seq.* of the French General Tax Code. The Compagnie française d'assurance pour le commerce extérieur companies, and each of the other French subsidiaries, agreed to become members of the consolidation group thus established with COFACE SA. The purpose of this agreement is to set forth, as from the period starting on or after January 1, 2015, the breakdown of tax expenses within the consolidation group formed by COFACE SA and its French subsidiaries. Each subsidiary is liable for the amount of tax it would have paid if it had not become a member of the consolidation group. This agreement contains favourable mechanisms for the Group: payment of corporate income tax on comprehensive income obtained by adding together the positive and negative earnings of the companies in the consolidation group and neutralising the Group's internal transactions.

The 9th resolution requests from the Shareholders' Meeting, pursuant to Article L.225-42-1 of the French Commercial Code, approval for the agreement reached with Jean-Marc Pillu, Chief Executive Officer, upon the termination of his duties with effect from February 9, 2016 and authorised by the Board of Directors on January 15, 2016.

This agreement concerns the gross severance pay of €1,978,804 (see paragraph 2.2.11 of the Registration Document).

The conditions for the payment of this indemnity have been met. It is recalled that this indemnity is due provided Mr. Pillu does not leave the company at his own initiative and that the performance criteria have been achieved:

1. achievement of at least 75% of the average annual objectives during the three years preceding the departure date; and
 2. provided that the combined ratio after reinsurance of the Company is at most 95% on average for the three financial years preceding the departure date.
- the first condition has been fulfilled: achievement of the annual objectives of up to 92.7% for 2013, 151.2% for 2014 and 74.1% for 2015, corresponding to an average of 106%, exceeding the 75% objective; and
 - The second condition has been fulfilled: the Company's combined ratio after reinsurance was 82.5% for 2013, 79.7% for 2014 and 82.8%⁽¹⁾ for 2015, or an average of 81.7%, below the 95% objective.

Pursuant to the decision of the Board meeting of May 13, 2014, to calculate the amount of the severance pay for two years of fixed and variable compensation:

- the reference salary for the fixed portion is the salary of the current year at the date of termination of duties, representing a gross fixed annual salary in 2016 of €500,000, as decided by the Board meeting of February 17, 2015;
- The reference salary for the variable portion shall be the average of the variable shares collected during the last three years preceding the termination of duties, *i.e.*, €489,402 before tax (average of €417,285 for 2013, €680,400 for 2014 and €370,521 for 2015).

Accordingly, given the context of Jean-Marc Pillu's departure and, in particular, the average level of achievement by Jean-Marc Pillu in the three previous years of his objectives established at 106%, the severance pay corresponds to a gross amount of €1,978,804.

The 10th resolution concerns the exceptional compensation awarded to Jean-Marc Pillu in the context of the initial market offering and concerning the allocation of 43,269 bonus shares, deliverable on July 1, 2016 subject to his presence in the company, authorised by the Board Meeting of June 26, 2014. The Board's decision specified that the presence condition would be automatically removed in the event of dismissal during the vesting period, with Mr. Pillu retaining the right to receive his shares on July 1, 2016, on the understanding that the two-year retention period would still apply. A decision

was made to carry on with this exceptional compensation in the form of shares in order to align the interests of the Chief Executive Officer (CEO) with those of shareholders and of the Company.

The 11th and 12th resolutions concern the approval by the Shareholders' Meeting of the two commitments taken in favour of Xavier Durand, authorised by the Board Meeting of January 15, 2016.

The 11th resolution seeks your approval for a benefit granted to Xavier Durand, the new Chief Executive Officer (CEO), for his new duties.

Given his arrival during the financial year and from outside the Group, it is proposed that the variable compensation allotted to Xavier Durand for 2016 be guaranteed for up to 80% of the target variable compensation (€575,000) provided that Xavier Durand continues to be the Company's Chief Executive Officer (CEO) on the date of the Board meeting called to approve the financial statements for 2016.

It is specified that this amount would be included in the 2016 variable compensation of Xavier Durand if Mr. Durand exceeds 80% of his target variable compensation and that this amount will be paid according to the terms comprising a portion of deferred compensation, pursuant to Solvency II, in application of the terms to be defined at a subsequent Board Meeting, based on a proposal by the Appointments and Compensation Committee.

The 12th resolution seeks your approval for the terms of the severance pay for Xavier Durand authorised by the Board of Directors at its meeting of January 15, 2016.

Mr. Xavier Durand shall benefit, in the event his corporate term ends, from severance pay equal to two years' (fixed and variable) salary. The reference salary used for the fixed portion shall be the salary for the current financial year on the termination date of his duties. The reference salary for the variable portion will be the average of the variable portions received for the three years preceding the termination date of his duties (or of the two years concerned since he came into office in the event of departure before December 31, 2018). This severance pay shall be due if the following performance criteria have been met:

- achievement of at least 75% of the average annual objectives during the three years preceding the departure date; and
- provided that the combined ratio after reinsurance of the Company is at most 95% on average for the three financial years preceding the departure date.

If just one of the two conditions above has been fulfilled, 50% of the compensation shall be due. If none of the conditions above has been met, no indemnity shall be due.

No compensation shall be paid by the Company if the corporate term is ended at Mr. Xavier Durand's initiative or in the event of termination for serious misconduct or gross negligence.

(1) Excluding the non-recurrent effect of tax liabilities in Italy.

◆ **Opinion on components of the compensation due or allotted to Mr. Jean-Marc Pillu, Chief Executive Officer (CEO), for the year ended December 31, 2015 - (13th resolution)**

In accordance with the recommendations of the AFEP-MEDEF Corporate governance code revised in November 2015 and

referred to by COFACE SA, the 13th resolution seeks to submit to the Shareholders' meeting for its opinion, the components of compensation due or allotted to Mr. Jean-Marc Pillu in respect of the financial year ending December 31, 2015.

For details about this compensation, please refer to Chapter 2 of the Registration Document.

7.6.2 WITHIN THE AUTHORITY OF THE EXTRAORDINARY SHAREHOLDERS' MEETING

The 14th to 25th resolutions propose that your Shareholders' Meeting grant the Board of Directors several delegations of authority to increase the Company's share capital, if necessary. The potential implementation of these delegations, if adopted, might be impossible if the price of Coface stock were to fall below its nominal value. Indeed, according to the law, new equity securities cannot be issued at a lower price than the share's nominal value, which is currently five euros for the Coface share. The nominal value of the Coface share is, moreover, particularly high compared to values normally found in this sector.

◆ **Capital reduction not justified by losses by decreasing the par value of shares and allocation of the amount of the reduction to the share premium account - (15th resolution)**

The purpose of the 15th resolution, therefore, is to propose the reduction of the Coface share's par value to a level comparable to that of the majority companies in the market. The resolution therefore proposes a reduction from €5 to €2, a purely technical operation that has no consequence on shareholder rights. The share capital would therefore be reduced by €471,744,696, and drop from €786,241,160 to €314,496,464. This capital reduction would not change the number of shares comprising the share capital (157,248,232 shares on the date hereof). The amount of the capital reduction would then be allocated to a "Share premium" sub-account and would be unavailable.

◆ **Share capital reduction by cancellation of the treasury shares held by the Company - (14th resolution)**

The 14th resolution requests authorisation for the Board of Directors to reduce the share capital by cancelling the treasury shares, within the limit of 10% of the share capital amount existing on the date of cancellation by 24-month periods, and to allocate the difference to the available premiums and reserves of its choice.

The Board of Directors proposes that this authorisation, which cancels and replaces that granted by the eighth resolution of the Shareholders' Meeting of June 2, 2014, be granted for a period of 26 months as from your Shareholders' Meeting.

◆ **Delegations of authority and authorisations granted to the Board of Directors to execute operations involving the Company's capital - (16th to 25th resolutions)**

Under the 16th to 25th resolutions, the Board of Directors requests that the Shareholders' Meeting renew the financial authorisations granted by the Shareholders' Meetings in 2014 and 2015.

Your Company would then have new authorisations providing it with the speed and flexibility necessary to arrange the financial resources required to implement the development strategy of Coface Group, as and when opportunities emerge on financial markets and in the interests of the Company and its shareholders.

As a consequence of the 15th resolution, the caps are presented before and after adjustments linked to the planned share capital reduction to the extent where such reduction affects the nominal caps of the authorised capital increases.

The table below presents a summary of the financial delegations (excluding employee share ownership schemes which are covered by the 23rd, 24th and 25th resolutions), presented to the Shareholders' Meeting for adoption. Each of these delegations (other than those covered by the 23rd and 24th resolutions) includes the proviso that the Board of Directors may not use the delegation of authority as from the submission by a third party of a public offer concerning the Company's securities and until the end of said offer.

RESOLUTION	SUBJECT OF THE DELEGATION	MAXIMUM NOMINAL AMOUNT	DURATION OF AUTHORISATION
16 th	Delegation of authority to the Board of Directors to increase the share capital by incorporating reserves, profits or premiums, or any other sum that can be legally capitalised	(i) €80,000,000 if the 15 th resolution is adopted by the Shareholders' Meeting or (ii) €200,000,000 if the 15 th resolution is not adopted by the Shareholders' Meeting	26 months
17 th	Delegation of authority to the Board of Directors to increase the share capital by issuing, with preferential subscription rights, shares and/or equity securities which provide access to other equity securities and/or entitlement to the allocation of debt securities and/or transferrable securities providing access to equity securities to be issued	Regarding the capital increases: (i) €120,000,000 if the 15 th resolution is adopted by the Shareholders' Meeting or (ii) €300,000,000 if the 15 th resolution is not adopted by the Shareholders' Meeting ⁽¹⁾ Regarding the debt securities issues: €500,000,000 ⁽²⁾	26 months
18 th	Delegation of authority to the Board of Directors to increase the share capital by issuing, without preferential subscription rights, shares and/or equity securities which provide access to other equity securities and/or entitlement to the allocation of debt securities and/or transferrable securities providing access to equity securities to be issued, in the context of a public offer	Regarding capital increases: (i) €45,000,000 if the 15 th resolution is adopted by the Shareholders' Meeting or (ii) €115,000,000 if the 15 th resolution is not adopted by the Shareholders' Meeting ⁽¹⁾ Regarding debt securities issues: €500,000,000 ⁽²⁾	26 months
19 th	Delegation of authority to the Board of Directors to increase the share capital by issuing, without preferential subscription rights, shares and/or equity securities which provide access to other equity securities and/or entitlement to the allocation of debt securities and/or transferrable securities providing access to equity securities to be issued, through the private placements specified in Article L.411.2 II of the French Monetary and Financial Code	Regarding capital increases: (i) €30,000,000 if the 15 th resolution is adopted by the Shareholders' Meeting or (ii) €75,000,000 if the 15 th resolution is not adopted by the Shareholders' Meeting ⁽¹⁾ Regarding debt securities issues: €500,000,000 ⁽²⁾	26 months
22 nd	Delegation of authority to the Board of Directors to increase the share capital by issuing shares and/or equity securities which provide access to other equity securities and/or entitlement to the allocation of debt securities and/or transferrable securities providing access to equity securities to be issued as compensation for contributions in kind	Regarding capital increases: (i) €30,000,000 if the 15 th resolution is adopted by the Shareholders' Meeting or (ii) €75,000,000 if the 15 th resolution is not adopted by the Shareholders' Meeting ⁽¹⁾ Regarding debt securities issues: €200,000,000 ⁽²⁾	26 months

(1) Delegation subject to the total cap for capital increases of (i) €120,000,000 if the 15th resolution is adopted or (ii) €300,000,000 if the 15th resolution is not adopted.

(2) Delegation subject to the total cap for debt securities issues of €500,000,000.

The corresponding draft delegations are detailed below:

◆ **Capital increase through incorporation of reserves, profits or premiums – (16th resolution)**

Under the 16th resolution, the Board of Directors requests that the Shareholders' Meeting delegates authority to increase the capital by incorporating, reserves, profits or

premiums, within the limit of a maximum nominal amount (i) of €80 million (€80,000,000) if the 15th resolution is adopted by the Shareholders' Meeting or (ii) €200 million (€200,000,000) if the 15th resolution is not adopted by the Shareholders' Meeting, a cap that is independent and separate from the cap of the other resolutions submitted to the vote of the Shareholders' Meeting. The capital increases

that may result from this resolution may be carried out at the discretion of the Board of Directors, either through the allocation of bonus shares, or by raising the par value of existing shares or a combination of the two execution methods based on terms that are yet to be determined.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted by the ninth (9th) resolution of the Shareholders' Meeting of June 2, 2014, be granted for a period of twenty-six (26) months as from your Shareholders' Meeting.

◆ **Issuance of shares and/or equity securities providing access to other equity securities and/or entitlement to the allocation of debt securities and/or transferrable securities providing access to equity securities to be issued, with preferential subscription right for shareholders - (17th resolution)**

Under this 17th resolution, the Board of Directors requests that the Shareholders' Meeting authorises the issuance of shares and/or capital securities providing access to other capital securities and/or entitlement to the allocation of debt securities and/or transferrable securities giving access to equity securities to be issued, with preferential subscription right, within the limit of a maximum nominal amount (i) of €120 million (€120,000,000) if the 15th resolution is adopted by the Shareholders' Meeting or (ii) €300 million (€300,000,000) if the 15th resolution is not adopted by the Shareholders' Meeting.

The other shares and/or equity securities giving access to other equity securities and/or entitlement to the allocation of debt securities and/or transferrable securities giving access to equity securities to be issued pursuant to a delegation may in particular include debt securities or be associated with the issuance of such securities, or allow their issuance as intermediate securities.

The nominal amount of the debt securities that may be issued pursuant to this delegation may not exceed €500 million (€500,000,000) on the date of this issue.

Shareholders may exercise their preferential subscription right to the shares or transferrable securities issued, under the conditions provided by law, on a reducible and, if planned by the Board of Directors, irreducible basis.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted by the tenth (10th) resolution of the Shareholders' Meeting of June 2, 2014, be granted for a period of twenty-six (26) months as from your Shareholders' Meeting.

◆ **Issuance of shares and/or equity securities providing access to other equity securities and/or entitlement to the allocation of debt securities and/or transferrable securities providing access to equity securities to be issued, without preferential subscription right for shareholders - (18th, 19th and 20th resolutions)**

The Board of Directors requests that the Shareholders' Meeting authorises the issuance of shares and/or equity securities providing access to other equity securities and/or transferrable securities providing access to equity securities to be issued, without preferential subscription right of the shareholders to

the shares or transferrable securities thus issued. In accordance with the recommendations of the AMF, these issues are covered by two separate resolutions, depending on whether they are carried out through public offers (18th resolution) or through the offers specified in Article L.411-2 II of the French Monetary and Financial Code, namely through private placements for qualified investors (19th resolution).

Indeed depending on market conditions, the nature of the investors concerned and the type of securities issued, to ensure that your Company is well positioned to seize opportunities offered by the market, our Board of Directors thinks that it may be useful to have the possibility of resorting to capital increases without preferential subscription rights for shareholders, while subjecting such increases, however, to more restrictive caps than the caps for capital increases with preferential subscription rights.

The nominal amount of the capital increases likely to be made pursuant to the 18th resolution cannot exceed (i) €45 million (€45,000,000) if the 15th resolution is adopted by the Shareholders' Meeting or (ii) €115 million (€115,000,000) if the 15th resolution is not adopted by the Shareholders' Meeting, on the understanding that this cap would be factored into the overall nominal cap provided for capital increases under the 17th resolution. This cap seems reasonable and provides the Company with the necessary means to act given its level of market capitalisation.

The total nominal amount of the capital increases likely to be made pursuant to the 19th resolution cannot exceed (i) €30 million (€30,000,000) if the 15th resolution is adopted by the Shareholders' Meeting or (ii) €75 million (€75,000,000) if the 15th resolution is not adopted by the Shareholders' Meeting, on the understanding that this cap would be factored into the overall nominal cap provided for the capital increases under the 17th resolution.

The Board of Directors would have the authority to issue, via public offers (18th resolution) and/or private placements (19th resolution), shares and/or equity securities providing access to other equity securities and/or transferrable securities providing access to equity securities to be issued, which might consist in particular of debt securities or be associated with the issue of such securities, or their issue as intermediate securities. The nominal amount of the debt securities that may be issued by virtue of the 18th and 19th resolutions would be factored into the cap of €500 million, set by the 17th resolution.

In the context of the 18th resolution concerning the issue, via public offers, shares and/or equity securities providing access to other equity securities and/or transferrable securities providing access to equity securities to be issued, the Board of Directors may implement a priority subscription right in favour of shareholders, on a reducible or irreducible basis, under the conditions set out by the regulations.

The issue price of shares issued on the basis of the 18th and 19th resolutions would be set under the legislative and regulatory conditions in force at the time of the issue, which currently provide for a price at least equal to the weighted average price of the Company's share in the last three stock exchange trading sessions preceding its setting, with a maximum discount of 5%, if necessary.

Pursuant to the provisions of Article L.225-136 of the French Commercial Code, the 20th resolution proposes to authorise the Board of Directors, within the limit of a nominal amount of 10% of the share capital, by 12-month periods, to set the

issue price according to the terms below: the share price shall not be lower, at the discretion of the Board of Directors, than (a) the average price of the share on the regulated market of Euronext Paris, weighted by the volumes at the last stock exchange session preceding the setting of the issue price, minus a maximum discount of 10%, where applicable, or (b) at the average price of the share on the Euronext Paris regulated market, weighted by the volumes, over a maximum period of six months preceding the day on which the share price is set, and minus a maximum discount of 10%, where applicable.

The use of the authority described above would allow the Company, given the volatility of markets, to benefit from any opportunities to proceed with the issue of securities when the market conditions are not right for carrying out an issue under the price conditions set by the 18th and 19th resolutions.

The Board of Directors proposes that these delegations, which would supersede those granted by the 11th, 12th and 13th resolutions of the Shareholders' Meeting of June 2, 2014, be granted for a period of twenty-six (26) months as from the Shareholders' Meeting.

◆ **Authorisation to the Board of Directors to increase the amount of issues with or without preferential subscription rights – (21st resolution)**

Subject to the adoption of the 16th, 17th, 18th and 19th resolutions relating to capital increases with or without preferential subscription rights for shareholders, the 21st resolution proposes that the Shareholders' Meeting authorise the Board of Directors, for a duration of 26 months and with the ability to subdelegate under the legal and regulatory conditions, to raise the number of securities to be issued for each of the issues to be decided pursuant to the 17th, 18th, 19th and 20th resolutions of the Shareholders' Meeting, under the conditions provided by the applicable legislative and regulatory provisions on the day of the issue (*i.e.* currently, within 30 days from the closure of the subscription, within the limit of 15% of each issue and at the same price as the price retained for the initial issue). It is specified that the total nominal amount of the capital increases likely to be carried out pursuant to this 21st resolution shall be factored into the total nominal cap specified for capital increases under the 17th resolution.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted by the 14th resolution of the Shareholders' Meeting of June 2, 2014, be granted for a period of twenty-six (26) months as from the Shareholders' Meeting.

◆ **Issuance of shares and/or equity securities providing access to other equity securities and/or entitlement to the allocation of debt securities and/or transferrable securities providing access to equity securities to be issued, as compensation for contributions in kind, within the limit of 10% of the share capital – (22nd resolution)**

Under the 22nd resolution, the Board of Directors requests that Shareholders' Meeting delegates authority to issue shares and/or capital equity securities providing access to other equity securities and/or transferrable securities providing access to equity securities to be issued, as compensation for contributions in kind granted to the Company and comprised of equity securities or transferrable securities providing access to capital, within the limit of a capital increase nominal amount (i) of €30 million (€30,000,000) if the 15th resolution is adopted by the Shareholders' Meeting or (ii) €75 million (€75,000,000) if the 15th resolution is not adopted by the Shareholders' Meeting, in addition to the legal limit of 10% of the Company's share capital, which would be factored into the overall nominal cap for the capital increases set by the 17th resolution.

The nominal amount of the debt securities that may be issued by virtue of this resolution would be factored into the cap of €500 million (€500,000,000), set by the 17th resolution.

This delegation would imply deletion, in favour of the holders of transferrable securities tendered as contributions in kind, of the preferential subscription right of shareholders to the shares or securities thus issued.

The Board of Directors proposes that this authorisation, that would supersede the authorisation granted by the 15th resolution of the Shareholders' Meeting of June 2, 2014, be granted for a period of twenty-six (26) months as from the Shareholders' Meeting.

◆ **Capital increases reserved for employees – (23rd and 24th resolutions)**

Under the 23rd resolution, we propose that you delegate to the Board of Directors, for a period of 26 months, with the ability to subdelegate, your authority for the purpose of increasing the share capital by issuing the Company's shares reserved to the members of a company savings plan, within the limit of a maximum nominal amount (i) of €8 million (€8,000,000) if the 15th resolution is adopted by the Shareholders' Meeting or (ii) €20 million (€20,000,000) if the 15th resolution is not adopted by the Shareholders' Meeting, on the understanding that the nominal amount for any capital increase carried out in application of this delegation would be factored into the total nominal cap specified for capital increases set out in the 17th resolution of the Shareholders' Meeting and that the cap for this delegation would be the same as that of the 24th resolution.

This decision would cancel the preferential subscription right of shareholders in favour of the said employees, former employees and corporate officers eligible for the shares thus issued, allocated free of charge, as appropriate.

The subscription price of the issued shares shall be determined under the conditions specified by the provisions of Article L.3332-19 of the French Labour Code, on the

understanding that the maximum discount calculated in relation to the average of the share's traded prices during the last 20 sessions preceding the decision setting the opening date of the subscription, may not exceed 20%. The Board of Directors may reduce or cancel the aforementioned discount, if it considers it necessary, in particular in order to take account of the legal, accounting, tax and social treatments applicable in the country of residence of some beneficiaries. The Board of Directors may likewise decide to allot bonus shares to subscribers of new shares, in substitution of the discount and/or as an employer matching contribution;

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted by the 18th resolution of the Shareholders' Meeting of June 2, 2014, be granted for a period of twenty-six (26) months as from your Shareholders' Meeting.

As a continuation of the 23rd resolution, we propose, under the 24th resolution, that you delegate to the Board of Directors, for a period of 18 months, with the ability to subdelegate under the conditions provided for by law, the power to make one or several capital increase(s) reserved for (i) the employees and/or corporate officers of the Company and/or companies related to the Company within the meaning of the provisions of Article L.225-180 of the French Commercial Code and Article L.3344-1 of the French Labour Code and having their registered office based outside France; or (ii) one or several mutual funds or other entity, having a legal personality or not, subscribing on behalf of the persons designated in the previous paragraph.

This decision would cancel shareholders' preferential subscription right to the shares issued within the context of this 24th resolution, for the benefit of the category of beneficiary defined above.

Such a capital increase would have the aim of allowing employees, former employees, and corporate officers of the Group who reside in various countries, to benefit, taking into account the regulatory or tax restrictions that could exist locally, from conditions that are as close as possible, in terms of economic profile, to those that would be offered to the other employees of the Group within the context of the use of the 23rd resolution.

The nominal amount of the capital increase likely to be issued in the context of this delegation would be limited to a nominal amount (i) of €8 million (€8,000,000) if the 15th resolution is adopted by the Shareholders' Meeting or (ii) €20 million (€20,000,000) if the 15th resolution is not adopted by the Meeting, on the understanding that the nominal amount of any capital increase carried out in application of this delegation would be factored into the total nominal cap specified for capital increases described in the 17th resolution of your Shareholders' Meeting, and that the cap for this resolution would be the same as that of the 23rd resolution.

The subscription price of the shares issued in application of this delegation may not fall more than 20% below the average price of the listed share during the 20 trading sessions preceding the decision determining the opening date of the subscription, nor may it exceed this average,

and the Board of Directors may reduce or eliminate the 20% discount noted above if it deems it appropriate in order to, in particular, take into account the legal, accounting, tax and corporate schemes applicable in the countries of residence of some beneficiaries. Furthermore, in the event of an operation carried out in the context of this resolution at the same time as an operation carried out in application of the 11th resolution, the subscription price of the shares issued in the context of this resolution may be identical to the subscription price of the shares issued on the basis of this resolution.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted by the 11th resolution of the Shareholders' Meeting of May 18, 2015, be granted for a period of eighteen (18) months as from your Shareholders' Meeting.

◆ **Allocation of bonus shares to employees and/or corporate officers of the Company or related companies - (25th resolution)**

In accordance with the provisions of Article L.225-197-1 *et seq.* of the French Commercial Code, we propose that you authorise the Board of Directors to subdelegate, for a period of 38 months as from the date of your Shareholders' Meeting, the allocation free of charge, once or several times, of the Company's existing or future shares for the benefit of certain employees and officers of the Company and its related companies as defined by Article L.225-197-2 of the French Commercial Code. The final allocation of these shares will be partly or wholly contingent on performance conditions.

The total number of shares allocated pursuant to this authorisation may not exceed 1% of the number of shares comprising the Company's share capital on the date of the Board of Directors' decision to allocate them, and the aggregate nominal amount of the capital increases that might result thereof would be factored into the total nominal cap provided for capital increases in the 5th resolution of the Shareholders' Meeting.

Any performance share allocations made in the context of this proposed resolution would become final after a vesting period of at least three years with no retention period. The purpose of this performance share vesting period is to allow evaluation of the performance criterion underlying the final vesting of the shares over a long period, in alignment with the Company's objectives.

The Board of Directors proposes that this authorisation, which would supersede the authorisation granted by the 20th resolution of the Shareholders' Meeting of June 2, 2014, be granted for a period of thirty-eight (38) months as from your Shareholders' Meeting.

◆ **Powers - (26th resolution)**

This resolution is intended to grant the powers required to complete the formalities consecutive to your Shareholders' Meeting.